

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**  
FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

9 9 — 0 0 5

2. STATE:

LOUISIANA

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL  
SECURITY ACT (MEDICAID)TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

March 1, 1999

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 447.253; OBRA '90; P.L. 101.508, Sections  
4702 & 4703

7. FEDERAL BUDGET IMPACT:

a. FFY 1998-99 \$ -0-

b. FFY 1999-00 \$ -0-

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-A, Item 1, Pages 10e-10j

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable):

SAME (TN 97-25) Pending

10. SUBJECT OF AMENDMENT: The purpose of this amendment is to revise disproportionate share payment methodology for large public non-state rural hospitals for state fiscal year 1999 only. This revision is in accordance with the Joint Legislative Budget Committee's directive of October 16, 1998.

11. GOVERNOR'S REVIEW (Check One):

- ☐
- GOVERNOR'S OFFICE REPORTED NO COMMENT
- 
- ☐
- COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
- 
- ☐
- NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED: The Governor does not review state plan material.

12. SIGNATURE OF STATE AGENCY OFFICIAL:

*David W Hood*

13. TYPED NAME:

David W. Hood

14. TITLE:

Secretary

15. DATE SUBMITTED:

March 24, 1999

16. RETURN TO:

State of Louisiana  
Department of Health and Hospitals  
1201 Capitol Access Road  
P.O. Box 91030  
Baton Rouge, LA 70821-9030

## FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

MARCH 29, 1999

18. DATE APPROVED:

JUNE 6, 2001

## PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

MARCH 1, 1999

20. SIGNATURE OF REGIONAL OFFICIAL:

*Sandra Hall*

21. TYPED NAME:

*for* CALVIN G. CLINE

22. TITLE:

ASSOCIATE REGIONAL ADMINISTRATOR  
DIVISION OF MEDICAID STATE OPERATIONS

23. REMARKS:

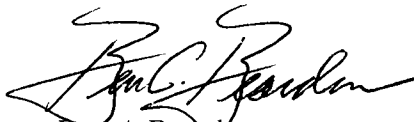
*\* Pen ink changes to pages made per 5/16/01 conference call*

Block 8	Block 9
10k	same (TN 97-25)
10k(1)	same (TN 97-04)
10k(2)	same (TN 97-04)
10k(3)	new

Please consider this a formal request to begin the 90-day clock. It is anticipated that the above clarifications and additional information will be sufficient to result in approval of the pending State plan amendment. If further information is needed, please contact Virginia Lee at (504)342-1400.

We appreciate the continued assistance of Billy Bob Farrell in resolving these issues.

Sincerely,



Ben A Bearden  
Director

Attachments

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES  
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - INPATIENT HOSPITAL CARE

**c. Other Public Non-State Rural Hospitals**

- 1) An Other Public Non-State Rural Hospital is defined as a hospital (including hospitals with distinct-part psychiatric units, but excluding long term, rehabilitation, or free standing psychiatric hospitals) owned by a local government that meets the qualifying criteria for disproportionate share hospital in I.D. but is not included in 3.a. or 3.b. and meets the following criteria:
  - a) is located in a parish with a population of less than fifty thousand; or
  - b) is located in a municipality with a population of less than twenty thousand.
- 2) Disproportionate share payments for state fiscal year 1999 to each qualifying other public non-state rural hospital are equal to that hospital's pro rate share of uncompensated costs for all other public non-state rural hospitals meeting these criteria for the cost reporting period ended during the period April 1, 1997 through March 31, 1998 multiplied by the amount set for this pool. If the cost reporting period is not a full period (twelve months), actual uncompensated cost data for the previous cost reporting period may be used on a pro rata basis to equate to a full year. Disproportionate share payments made to other public non-state rural hospitals after state fiscal year 1999 will be made in accordance with D.3.d.
- 3) A pro rata decrease necessitated by the conditions specified in 2.a. above will be calculated using the ratio determined by dividing the qualifying hospital's uncompensated costs by the uncompensated costs for all other public non-state rural hospitals, then multiplying by the amount of disproportionate share payments calculated in excess of the federal disproportionate share allotment or the state disproportionate share appropriated amount.

STATE	<u>Louisiana</u>
DATE RECD	<u>3-29-99</u>
DATE APV'D	<u>6-6-01</u>
DATE EFF	<u>3-1-99</u>
HCFA 179	<u>TN 99-05</u>

A

97-25

TN# \_\_\_\_\_ Approval Date \_\_\_\_\_ Effective Date \_\_\_\_\_  
Supersedes  
TN# \_\_\_\_\_

APR 23 2001

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
MEDICAL ASSISTANCE PLAN

ATTACHMENT 4.19-A  
Item 1, Page 10k(1)

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - INPATIENT HOSPITAL CARE

**d. All Other Hospitals (Private Rural Hospitals Over 60 Beds, All Private Urban Hospitals, Public Non-State Urban Hospitals Over 60 Beds, All Free-Standing Psychiatric Hospitals exclusive of State Hospitals, Rehabilitation Hospitals, and Long-Term Care Hospitals)**

1) Criteria for hospitals to be included in this group are as follows:

- a) Private rural hospitals over 60 beds - privately owned acute care general, rehabilitation, and long term care hospitals including distinct part psychiatric units having more than 60 beds that are not located in a Metropolitan Statistical Area as defined per the 1990 census. This excludes any reclassification for Medicare.
- b) All private urban hospitals - privately owned acute care general, rehabilitation, and long term care hospitals including distinct part psychiatric units that are located in a metropolitan Statistical Area as defined per the 1990 census. This excludes any reclassification under Medicare.
- c) Public non-state urban hospitals over 60 beds - local government-owned acute care general, rehabilitation, and long-term care hospitals including distinct part psychiatric units having more than 60 beds that do not meet qualifying criteria in D.3.c.
- d) All free-standing psychiatric hospitals exclusive of state hospitals - privately owned and local government owned psychiatric hospitals of any size.
- e) Rehabilitation hospitals and long-term care hospitals - hospitals which meet Medicare specialty designation as these types of hospitals.

STATE	<u>Louisiana</u>
DATE RECD	<u>3-29-99</u>
DATE APVD	<u>6-6-01</u>
DATE EFF	<u>3-1-99</u>
HCFA 178	<u>7299-05</u>
A	

97-04

TN# \_\_\_\_\_

Approval Date \_\_\_\_\_

Effective Date \_\_\_\_\_

Supersedes

TN# \_\_\_\_\_

APR 23 2001

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
MEDICAL ASSISTANCE PLAN

ATTACHMENT 4.19-A  
Item 1, Page 10k(2)

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - INPATIENT HOSPITAL CARE

- 2) Annualization of days for the purposes of the Medicaid days pools is not permitted. Payment is based on actual paid Medicaid inpatient days for a six month period ending on the last day of the latest month at least 30 days preceding the date of payment which will be obtained by DHH from a report of paid Medicaid days by service date.
- 3) Payment is based on Medicaid days provided by hospitals in the following two pools:
  - a) Acute Care Hospital - acute care, rehabilitation, and long term care hospitals not described in I.D.3.a. and I.D.3.b. above (excluding distinct part psychiatric units) are qualified for this designation.
  - b) Psychiatric Hospital - Freestanding psychiatric hospitals and *hospitals with* distinct part psychiatric units not included in I.D.3.a. and I.D.3.b. above are qualified for this designation.

STATE <u>Louisiana</u>	A
DATE REC'D <u>3-29-99</u>	
DATE APP'D <u>6-6-01</u>	
DATE EFF <u>3-1-99</u>	
HCFA 179 <u>TN 99-05</u>	

97-04

TN# \_\_\_\_\_ Approval Date \_\_\_\_\_ Effective Date \_\_\_\_\_  
Supersedes  
TN# \_\_\_\_\_

APR 26 2001

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
MEDICAL ASSISTANCE PLAN

ATTACHMENT 4.19-A  
Item 1, Page 10k(3)

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - INPATIENT HOSPITAL CARE

- 4) Disproportionate share payments for each pool shall be calculated based on the product of the ratio of each qualifying hospital's experience to the experience of all hospitals in the pool as determined by the report described in I.D.3.d.2). above and multiplying by an amount of funds for each respective pool to be determined by the director of the Bureau of Health Services Financing. Total Medicaid inpatient days include Medicaid nursery days but do not include skilled nursing facility or swing-bed days. Pool amounts shall be allocated based on the consideration of the volume of days weighted by multiplying by the following factors: acute care hospital Medicaid days are weighted by a factor of 3, psychiatric hospital Medicaid days are weighted by a factor of 1.
- 5) DSH payments shall be made prospectively once per year for the federal fiscal year. No additional payments shall be made if an increase in days is determined after audit.

STATE	Louisiana
DATE RECD	3-29-99
DATE APV'D	6-6-01
DATE EFF	3-1-99
HCFA 179	7099-05
A	

Cost Reports Rec'd as of	Date Payment Amounts Determined		Payment Period
June 30, 1997	May 1998		10/1/97 - 9/30/98
June 30, 1998	May 1999		10/1/98 - 9/30/99

- 6) A pro rata decrease necessitated by conditions specified in I.D.2.a. above for hospitals described in this section will be calculated based on the ratio determined by dividing the hospitals' Medicaid inpatient days by the Medicaid inpatient days for all qualifying hospitals in this section, then multiplying by the amount of disproportionate share payments calculated in excess of the federal disproportionate share allotment or the state disproportionate share appropriated amount.

E. (Reserved)

SECRET

TN# \_\_\_\_\_ Approval Date \_\_\_\_\_ Effective Date \_\_\_\_\_  
Supersedes  
TN# \_\_\_\_\_

APR 23 2001